

CHAPTER: X PAYEES	SECTION: 1 PAYEES	COMAR: 07.03.03.16
-----------------------------	-----------------------------	------------------------------

PAYEES

- A. Generally, the person who makes the request for TCA benefits by signing the application becomes the payee once eligibility is established. In two-parent households, the adult female is made payee unless there is an agreement between the parents for the adult male to be payee
- B. The payee of the TCA grant is:
 1. A caretaker relative:
 - Mother or father
 - Grandparent
 - Sister or brother
 - Aunt or uncle
 - Cousin (first, second, etc.)
 2. The degree of relationship is not important unless it is questionable

PROTECTIVE PAYEES

- A. At times, it may be necessary for the local department to seek a protective payee for a caretaker's TCA benefits
- B. A protective payee is approved by the local department when the caretaker is:
 1. Physically disabled
 2. Mentally disabled
 3. Unable to manage funds
 4. A minor parent
 5. A minor pregnant woman
 6. Receiving benefits from the Social Security Administration through a protective payee
- C. A protective payee may be approved if:

CHAPTER: X PAYEES	SECTION: 1 PAYEES	COMAR: 07.03.03.16
-----------------------------	-----------------------------	------------------------------

1. The caretaker makes a written request for a protective payee
 2. A social worker requests a protective payee for a caretaker once there is confirmed evidence of need
- D. When possible, the selection of a protective payee should be made by or with the approval of the caretaker
- E. Responsibilities of the protective payee include:
1. Management of the TCA benefits
 2. Accountability for the TCA benefits
 3. Other related obligatory services:
 - Purchase food, clothing, medicine
 - Pay rent or mortgage, water, utilities
- F. A protective payee can never be:
1. A staff member of the Family Investment Administration
 2. A person with medically diagnosed alcoholism or drug addiction, or
 3. Any person who deals with the caretaker for profit, such as a landlord or merchant (this creates a conflict of interest)
- G. An annual review is conducted to ensure the protective payee is meeting expectations
- H. Timely and adequate notification of adverse action must be sent to the customer advising of the action to provide a protective payee and of appeal rights
- I. The local department may terminate the protective payee arrangement when the:
1. Caretaker is no longer disabled
 2. Social services worker recommends that the caretaker resume the payee responsibility
 3. Social Security Administration terminates their protective payee and pays the caretaker's benefits directly to the caretaker

CHAPTER: X PAYEES	SECTION: 1 PAYEES	COMAR: 07.03.03.16
-----------------------------	-----------------------------	------------------------------

4. Minor parent or minor pregnant woman becomes of age or is eligible in their own right
5. Caretaker requests in writing to resume duties as own payee, or
6. Local department determines the protective payee is not satisfactorily performing expectations

THIRD PARTY PAYEES

- A. The following individuals have been approved by the Department as, "third-party payees":
 1. Non-profit organizations
 2. For-profit organizations
 3. Responsible individuals (approved by the local department)
 4. Government entities which include the local departments (but not FIA staff)
- B. Third-party payees are designated under the following circumstances:
 1. A child specific payment is made for a child born 10 months or more from the date the assistance unit is notified of the child specific requirement
 2. The local department authorizes Transitional Assistance due to a program sanction
 3. The needs of the head of household are removed from the assistance unit for failure to follow the substance abuse provisions
- C. Responsibilities of the third-party payee include:
 1. The ability to track the family's funds
 2. Accountability for the disbursement of the family's funds
 3. Providing services relating to the management of the family's funds
 4. Providing services to assist the family to comply with program requirements

CHAPTER: X PAYEES	SECTION: 1 PAYEES	COMAR: 07.03.03.16
-----------------------------	-----------------------------	------------------------------

5. Local departments may pay an administrative fee to the third-party payee to cover the administrative costs of managing the customer's benefits

Note: Forms are available to help the third-party payee track and account for disbursement of the customer's benefits.

- D. A third-party payee can never be:
 1. A staff member of the Family Investment Administration
 2. A person with medically diagnosed alcoholism or drug addiction, or
 3. A person who deals with the customer for profit such as a landlord or merchant (this creates a conflict of interest)
- E. A review should be done annually or semi-annually to ensure the third-party payee is meeting expectations
- F. Timely and adequate notification of adverse action, including an appeal form and a return envelope, must be sent to the customer advising of the action to have benefits paid to a third-party
 1. Include the name and address of the third-party payee
 2. Explain how the third-party payee was selected and why
- G. The local department may terminate the third-party payee arrangement when the:
 1. Transitional Assistance period ends
 2. Sanction for not complying with a work requirement is removed
 3. TCA case is closed, or
 4. Local department determines the third-party payee is not satisfactorily performing expectations

CHAPTER: X PAYEES	SECTION: 1 PAYEES	COMAR: 07.03.03.16
-----------------------------	-----------------------------	------------------------------

MANDATORY VENDOR PAYMENTS

- A. The Mandatory Rent Vendor Payment Program is now, as of legislation passed in 1997, a permanent program administered jointly by the Family Investment Administration and the Community Services Administration
- B. Local departments will:
 1. Authorize a vendor payment to the local Housing Authority for the amount of the customer's monthly rent providing the:
 - Customer is receiving only TCA benefits
 - Customer resides in public housing
 - Customer's rental payment is 30 days or more delinquent, or
 - Local Housing Authority requests payment of the customer's rent by the local department due to non-payment by the customer
 2. Pay the amount of the customer's monthly rent to the Housing Authority, and send the remainder of the customer's TCA benefit to the payee by EBTS, or
 3. Pay the amount of the customer's monthly rent to a court rather than the local Housing Authority, if a court established escrow account is in effect
- C. The mandatory vendor payment for the amount of the customer's monthly rent will continue until:
 1. The local Housing Authority requests termination of the payment
 2. The customer becomes a participant in the work supplement or grant diversion program, or
 3. The customer moves and no longer resides in public housing
- D. Timely and adequate notification of adverse action must be sent to the customer advising of action to reduce the TCA benefits, pay the rental amount directly to the landlord, and of appeal rights

Note: Assistance units participating in the Mandatory Rent Vendor Payment Program are still eligible for Emergency Assistance to Families With Children (EAFC).

CHAPTER: X PAYEES	SECTION: 1 PAYEES	COMAR: 07.03.03.16
-----------------------------	-----------------------------	------------------------------

VOLUNTARY VENDOR PAYMENTS

A. Local departments will:

1. Authorize a vendor payment to the local Housing Authority for the amount of the customer's monthly rent providing the:
 - Customer is receiving TCA benefits
 - Customer resides in public housing
 - Customer or the payee of the customer's TCA benefits requests in writing that the local department pay the amount of the assistance unit's monthly rent directly to the local Housing Authority, or
 - Local Housing Authority gives authority to its local unit to become the payee for the customer's monthly rent
2. Pay the amount of the customer's monthly rent to the Housing Authority and send the remainder of the customer's TCA benefit to the payee by EBT via the electronic benefit transfer system (EBTS)
3. Terminate the voluntary vendor payment arrangement promptly when the customer or the payee of the customer's TCA benefits requests in writing that they wish to receive the full amount of the TCA benefit

Note: Assistance units participating in the Voluntary Rent Vendor Payment Program are still eligible for Emergency Assistance to Families With Children (EAFC).